

**Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Fifth Set of Information Requests**

Request No. AG-5-14 (Electric)

Please provide copies of all Special Contracts currently in effect. Include all pricing terms and copies of the Department's approval of each agreement. For each Special Contract, provide the test year monthly revenues, segregating the revenues into volumetric, demand and customer charge revenues, and provide the actual monthly bill determinants for each revenue category.

Response:

Please see Attachment 1 AG-5-14 (Electric) for a copy of the Special Contract for KES Fitchburg, L.P. and Attachment 2 AG-5-14 (Electric) for a summary of the test year monthly revenues and bill determinants for this customer. FG&E is unable to locate a copy of the Department's approval for this Special Contract.

The test year revenue summary, Attachment 2 AG-5-14 (Electric) is provided in single copy to the Hearing Officer and to the parties that have signed confidentiality agreements because it is deemed confidential by FG&E. A Motion for Confidential Treatment is filed herewith.

Person Responsible: Karen M. Asbury

STANDBY SERVICE AGREEMENT
BETWEEN
FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
AND
KES FITCHBURG, L.P.

Standby Service Agreement
Between
Fitchburg Gas and Electric Light Company
and
KES Fitchburg, L.P.

This Agreement is entered into as of this 30th day of June, 1992, between Fitchburg Gas and Electric Light Company of Fitchburg, Massachusetts, a Massachusetts public utility corporation (the "Company") and KES Fitchburg, L.P. of Meriden, Connecticut, a Delaware limited partnership ("Customer") for electric service to the Customer's electrical generation facility.

WHEREAS, the Customer proposes to develop, construct, own, and operate an approximately 18 Megawatt gross cogeneration facility in Westminster, Massachusetts (the "Facility"); and

WHEREAS, the Customer proposes to interconnect the Facility with the Company's transmission system at the Company's Flagg Pond substation (the "Point of Interconnection"); and

WHEREAS, the Customer desires that the Company provide capacity and associated energy for backup and maintenance service ("Backup Service") to the Facility to replace service ordinarily supplied by the Customer's own generation equipment during times when a scheduled or unscheduled outage of the Customer's own generation equipment occurs.

NOW, THEREFORE, in consideration of the mutual covenants hereafter set forth, the Company and the Customer hereby agree that the Company shall provide Backup Service to the Customer under the following specified terms and conditions:

1. AVAILABILITY:

Subject to execution of this Standby Service Agreement by both the Company and the Customer, approval by the Massachusetts Department of Public Utilities ("MDPU") and specification by the Customer as to the level of Backup Contract Demand required as defined in Appendix A, electric service will be available and applicable to the Customer for Backup Service under this Agreement from and after the Commercial In-Service Date of the Customer's Facility, as that term is defined in the Purchased Power Contract dated November 20, 1989, between the Customer and the Company. The Customer will accept and pay for such service at rates consistent with this agreement as it may hereafter be amended from time to time with the approval of the MDPU.

2. CHARACTER OF SERVICE:

Electric Service under this Agreement shall be continuous, 60 Hertz, alternating current, three-phase service and shall be delivered to the Point of Interconnection at the 69,000 volt transmission level.

3. RATE SCHEDULE:

The Customer agrees to pay the Company for capacity and energy supplied as Backup Service in accordance with Appendix A, "KES Fitchburg Backup Service Rate".

4. TERM:

This Agreement shall become effective on the Commercial In-Service Date of the Customer's Facility. Backup Service under this Agreement shall be for an initial period of at least one year and shall continue in effect thereafter until cancelled by either party upon at least thirty (30) days written notice.

5. TERMS OF PAYMENT:

The charges for service under this rate are net, billed monthly and payable upon presentation of bill. Interest charges of one and one-half percent (1 1/2%) per month (equivalent to an 18% annual rate) will be added from the date of the original bill if current charges for electricity are not paid and received by the Company or its agent within ten (10) days following presentation of the bill. The one and one-half percent (1 1/2%) monthly interest charge shall also be added to all amounts due hereunder until all arrears have been paid. In the event of a dispute related to any portion of any bill, the amount billed shall be paid in full without prejudice to any claim in relation thereto.

6. METERING AND FACILITIES:

The Company shall not be required to install additional facilities to provide service under this Agreement other than those which were in place on the date of this Agreement. If the Company determines that additional metering, telemetering, and/or automatic control equipment is required, the Company will install such equipment at the Customer's expense.

The Customer shall own and maintain all equipment required to accept service from the Company at the nominal delivered voltage. The Customer shall own and maintain all metering equipment required to develop the values necessary to render bills as determined under the provisions of Section 3, RATE SCHEDULE, of this Agreement. Should the metering equipment fail to accurately register the values of demand (KVA) and energy (KWH) consumed by the Customer, such values during the period of failure shall be estimated by the Company from the best information available.

7. LIMITATION ON LIABILITY OF COMPANY:

The Company shall not be liable for damages to the person or property of the Customer or to any persons or property resulting from the use or presence of electricity beyond the Company's side of the Point of Interconnection, or the presence of the Company's appliances and equipment on the Customer's premises. In addition thereto, and as it applies to

any and all service provided under this Agreement, the Customer agrees to assume all responsibility for the transmission and use of electricity in the Customer's side of the Point of Interconnection, and agrees to indemnify, defend, and save the Company harmless from all claims and demands and all losses, costs, damages, or expenses to any person or persons or property resulting directly or indirectly from the transmission, utilization, and supply of such electrical energy on the Customer's side of the Point of Interconnection unless such claim or demand arises from the willful default or willful neglect of the Company.

8. LAWS, REGULATIONS AND APPROVALS:

This Agreement is made subject to all applicable Federal, state, and local laws and regulations and orders properly issued by Federal, state, and local bodies having jurisdiction, and performance hereunder is conditioned upon securing and retaining such Federal, state and local government approvals, grants, and permits as may from time to time be necessary. Specifically, the Company will file this Agreement with the MDPU after its execution, as required under M.G.L. c. 164, § 94, and 220 CMR 8.06(3). The Agreement may be subject to investigation and order, pursuant to the aforementioned statute and regulation.

9. NOTICES:

All notices required to be given by either party to the other shall be in writing, and shall be adequate if sent by first class mail, postage prepaid, or delivered in person. In the case of the Customer, all notices shall be sent to its billing address in the records of the Company. In the case of the Company, all notices shall be addressed as follows:

Fitchburg Gas and Electric Light Company
216 Epping Road
Exeter, NH 03833-4571

Attention: Vice President of Supply

10. ASSIGNMENT OF AGREEMENT:

The Company may assign this Agreement or any rights hereunder to any person without the consent of the Customer, provided the assignee assumes the Company's obligations hereunder. The Customer may not assign this Agreement or any rights hereunder without prior written consent of the Company.

Notwithstanding the foregoing, the Customer shall have the right, in connection with the making of any loan secured wholly or in part by the Facility, to assign, pledge or transfer, directly or indirectly, some or all of its rights and interests in this Agreement without the prior consent of the Company, to the lender. Without limiting the Customer's rights under this paragraph, the Customer, such lender, or any permitted assignee, pledgee or transferee of the Customer or such lender, may additionally assign, pledge or otherwise

transfer, directly or indirectly, some or all of such party's rights and interests in this Agreement, or in or to the Facility, without the prior consent of the Company, provided that all of the following conditions are satisfied:

- (i) the assignee, pledgee or transferee, as the case may be, agrees in writing to assume all of the obligations of the Customer arising under this Agreement which the assigning, pledging or transferring party has theretofore assumed;
- (ii) the Customer and all other parties which may be obligated to perform the Customer's obligations arising under this Agreement demonstrate to the Company's reasonable satisfaction that the ability of the Customer and all such other parties to satisfy the Customer's obligations hereunder is not materially adversely affected by such assignment, pledge or transfer; or, in the alternative, the assignee, pledgee or transferee demonstrates to the Company's reasonable satisfaction that it is reasonably competent and qualified to perform all of the Customer's obligations hereunder; and
- (iii) the assignee, pledgee or transferee, as the case may be, executes such agreements and instruments as may reasonably be required by the Company to demonstrate and secure the satisfaction of any of the above conditions.

11. MISCELLANEOUS:

This Agreement may be amended only by a written instrument duly executed by the parties hereto.

This Agreement is made under and shall be governed under the laws of the Commonwealth of Massachusetts.

Captions and headings appearing in this Agreement are inserted to facilitate references and shall have no bearing upon the

interpretation of any of the terms and provisions hereof.

Each term, covenant and condition of this Agreement is independent of each other term, covenant and condition hereof, and the obligation of a party to perform all the terms, covenants and conditions to be kept and performed by it is not dependent on the performance by the other party of any or all the terms, covenants and conditions to be kept and performed by it.

In the event that any terms, covenants or conditions of this Agreement, or the application of any of such terms, covenants or conditions, shall be held invalid as to any person, party or entity, by any court having jurisdiction in the premises, the remainder of this Agreement, and such application of its terms, covenants or conditions to any such person, party or entity shall not be affected thereby.

Any waiver at any time by a party to its rights with respect to default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

The signatory on behalf of the Customer represents that such signatory has been appropriately authorized to enter into this Agreement on behalf of the Customer.

12. SIGNATURES:

IN WITNESS WHEREOF, Fitchburg Gas and Electric Light
Company and KES Fitchburg, L.P. have caused this Agreement to
be executed by their duly authorized representatives.

Fitchburg Gas and Electric
Light Company

By: [Signature]

Title: [Signature]

Date: [Signature]

KES Fitchburg, L.P.

By: KES Fitchburg, L.P. - General Partner

By: [Signature]

Title: [Signature]

Date: 8/12/92

APPENDIX A

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

KES FITCHBURG BACKUP SERVICE RATE

DEFINITIONS:

Backup Contract Demand: An amount of demand which the Customer may impose on the Company under this rate schedule for backup and maintenance service. The backup Contract Demand will be an estimate of the Customer's highest 15-minute integrated kilovolt-ampere (KVA) demand that may be utilized to meet the maximum load of the Facilities specified by the Customer to be 800 KVA and agreed to by the Company upon execution of this Agreement. The Customer shall provide the Company with whatever information the Company reasonably requires to ascertain the level of Backup Contract Demand.

Monthly Metered Demand: the highest 15-minute integrated kilovolt-ampere (KVA) demand during the On-Peak portion of the billing period for which the demand charges are rendered.

Monthly Billing Demand: The higher of: 1) The Backup Contract Demand; 2) The Monthly Metered Demand of the billing period for which the demand charges are rendered; or 3) The highest Monthly Metered Demand during the previous eleven (11) billing periods.

Monthly Billing Energy: The amount of kilowatt-hours (KWH) used by the Customer during the billing period for which the energy charge is rendered.

On-Peak Energy: The portion of the Monthly Billed Energy that is used during On-Peak hours.

On-Peak Hours: The period between 7:00 A.M. and 10:00 P.M. (local time) on weekdays, excluding official Federal and Massachusetts holidays occurring or celebrated on a weekday. All other hours are considered "Off-Peak" hours.

On Peak Scaling Factor (SF): The On-Peak Energy divided by the product of the Monthly Billing Demand and the number of On-Peak hours.

Production Demand Charge: The product of the Production Demand Rate times the Monthly Billing Demand times $(1-(1-SF)^3)$.

APPENDIX A

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
KES FITCHBURG BACKUP SERVICE RATE (continued)

RATE-MONTHLY

ENERGY CHARGES

On-Peak Hours:	Off-Peak Hours:
\$0.03021 per KWH	\$0.00731 per KWH

DEMAND CHARGES

TRANSMISSION AND DISTRIBUTION	PRODUCTION
\$2.50	\$4.61 x (1 (1-SF) ³)
per Monthly Billing Demand (KVA)	per Monthly Billing Demand (KVA)

DETERMINATION OF DEMAND

For the purpose of determining the Monthly Metered Demand, demands shall be measured as the highest 15-minute integrated kilovolt-ampere (KVA) load determined during the On-Peak period of the month for which the charge is rendered.

The Monthly metered Demand shall be measured in 0.5 kilovolt-ampere intervals and those demands falling between any half kilovolt-ampere interval shall be billed at the next lower 0.5 kilovolt-ampere increment.

The Monthly Billing Demand shall be determined to be the highest of the Monthly Metered Demands in the previous twelve (12) billing periods including the current billing period, but not less than the Backup Contract Demand.

ADJUSTMENTS

The provisions of the Company's Fuel Adjustment - Schedule CFA, Seabrook Amortization Surcharge - Schedule SAS, and Energy Conservation Service Surcharge - Schedule E-ECS, apply to service taken on this rate schedule. The Energy

Charge for billing purposes will be the Base Energy Charge adjusted by the Fuel Adjustment, the Seabrook Amortization Surcharge and such other factors as have not been rolled into the Base Energy Charge.

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8/11/92